

FILED

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION

OCT 10 2002

PEGGY B. DEANS, CLERK
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF N.C.

IN RE:)
)
INTERNATIONAL HERITAGE, INC.) CASE NO. 98-02675-5-ATS
) CHAPTER 7
)
Debtor.)

**FOURTH APPLICATION BY CHAPTER 7 TRUSTEE
FOR INTERIM ALLOWANCE OF COMMISSION AND
REIMBURSEMENT OF EXPENSES**

NOW COMES, Holmes P. Harden ("Applicant") and files this Fourth Interim application for Compensation and Reimbursement of Expenses to Chapter 7 Trustee and, in support thereof, shows the following:

1. This Court has jurisdiction of this application pursuant to 28 U.S.C. §§ 157 and 1334 and 11 U.S.C. §§ 327 and 329.
2. On November 25, 1998 a petition for relief under Chapter 7 of the Bankruptcy Code was filed by International Heritage, Inc. (the "Debtor"). On November 25, 1998 this Court entered an Order appointing Holmes P. Harden as Trustee of the Debtor ("Trustee").
3. Applicant has complied with all provisions of the Bankruptcy Code, the Bankruptcy Rules, and other laws, regulations and administrative orders dealing with the duties of a trustee, has discharged his duties in a prompt and efficient manner and has otherwise complied with all other duties of a Chapter 7 trustee as set forth in the Bankruptcy Code.
4. The Court entered an order allowing trustee's first interim commission in the amount of \$5,919.07 and reimbursement of expenses in the amount of \$11,628.39 for services rendered from November 30, 1998 through August 31, 1999 on November 1, 1999. The court

also entered an order on October 28, 2000 allowing interim commission in the amount of \$32,719.94 and reimbursement of expenses in the amount of \$1,291.21 for services rendered from September 1, 1999 through August 31, 2000. The court also entered an order allowing interim commission in the amount of \$9,820.24 and reimbursement of expenses in the amount of \$1,719.80 for services rendered from September 12, 2000 through August 28, 2001.

5. Applicant has collected \$305,404.37 since the third interim application was filed with the court.

6. Applicant has disbursed \$100,994.68 to parties in interest in the case since the third interim application was filed with the court. Disbursements are itemized on Exhibit A attached hereto.

7. Applicant and his staff have spent over 371.00 hours in the performance of his duties as trustee from September 4, 2001 through September 30, 2002. Applicant's law firm has expended \$608.43 in payment of expenses of trustee from August 29, 2001 through September 12, 2002. An accounting of time and expenses is attached hereto as Exhibit B.

8. Applicant now prays that he be allowed the sum of \$4,946.14 as interim trustee's fees, together with reimbursement of expenses in the amount of \$608.43, which Applicant deems as reasonable for services rendered herein. This calculation is based on the parameters set forth in 11 U.S.C. Section 326 and the compensation scale established by the Local Rules for the Eastern District of North Carolina.

9. Applicant believes that this sum is fair and reasonable in this case and should be allowed.

10. Applicant certifies that no agreements have been made directly or indirectly and that no understanding exists for division of fees between the Applicant and other parties, except other partners of his law firm.

11. This is the fourth Application for compensation and reimbursement of expenses made by the Applicant in this case.

WHEREFORE, Applicant prays that he be allowed and paid the above compensation of \$4,946.14 and reimbursement of expenses in the amount of \$608.43 and that the court grant such other and further relief to which it deems him justly entitled.

This the 8th day of October, 2002.

HOLMES P. HARDEN, CHAPTER 7 TRUSTEE
FOR INTERNATIONAL HERITAGE, INC.



Holmes P. Harden
N.C. State Bar No. 9835
3200 Beechleaf Court, Suite 500
Post Office Drawer 19764
Raleigh, North Carolina 27619-9764
Telephone: (919) 981-40000

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#93260(94390)

BANK7A-206

DATE: 10/07/02 11:15:59 PRO FORMA STATEMENT AS OF 093002 FOR FILE (BANK7A-206)

[REDACTED]

-----COST ENTRIES-----*

INDEX DATE	STAT	AMOUNT	DESCRIPTION	CODE	TKPER	VOUCHER
293503	082901B	0.12	* LONG DISTANCE TELEPHONE CALL	8040	FIRM	
293819	090501B	18.50	* FACSIMILE TRANSMISSION	8051	FIRM	
293820	090501B	3.50	* FACSIMILE TRANSMISSION	8051	FIRM	
294524	091001B	26.52	* POSTAGE	8030	FIRM	
294537	091101B	8.00	* POSTAGE	8030	FIRM	
294453	091901B	13.25	* POSTAGE	8030	FIRM	

0.50 * FACSIMILE TRANSMISSION	8050	FIRM	126584
50.00 * MT&E PHOTOCOPY CENTER	8070	FIRM	126615
31.92 * POSTAGE	8030	FIRM	
34.20 * POSTAGE	8030	FIRM	
1.00 * FACSIMILE TRANSMISSION	8051	FIRM	
4.00 * FACSIMILE TRANSMISSION	8050	FIRM	
0.50 * FACSIMILE TRANSMISSION	8050	FIRM	
9.00 LOCAL MESSENGER SERVICE: PO BOX CHECK	8011	FIRM	
2.90 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
13.50 LOCAL MESSENGER SERVICE: BANKRUPTCY COURT	8020	FIRM	
22.10 68 MILES @\$.325 EACH - JENNY D. JOHNSON	860	FIRM	
25.00 GREEN'S JEWELERS, APPRAISAL FEE	805	FIRM	
0.72 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.50 * FACSIMILE TRANSMISSION	8050	FIRM	
26.52 * POSTAGE	8030	FIRM	
2.50 * FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM	
9.00 LOCAL MESSENGER SERVICE: BANKRUPTCY COURT	8020	FIRM	
9.00 LOCAL MESSENGER SERVICE: BANKRUPTCY COURT	8020	FIRM	
4.50 LOCAL MESSENGER SERVICE: BANKRUPTCY COURT	8020	FIRM	
3.90 12 MILES @\$.325 EACH - JENNY D. JOHNSON, BANKRUPTCY COURT, PICK UP ORDER	860	FIRM	127528
1.00 PARKING - JENNY D. JOHNSON	844	FIRM	127528
3.90 12 MILES @\$.325 EACH - JENNY D. JOHNSON, MEETING WITH RELIABLE LOAN FOR BID	860	FIRM	127529
1.00 PARKING - JENNY D. JOHNSON	844	FIRM	127529
12.50 * FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM	
28.40 * POSTAGE	8030	FIRM	
1.60 * POSTAGE	8030	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.50 * FACSIMILE TRANSMISSION	8050	FIRM	
9.00 LOCAL MESSENGER SERVICE: 4300 SIX FORKS RD	8020	FIRM	
4.38 12 MILES @\$.365/MILE - JENNY D. JOHNSON, PAMN SHOP	860	FIRM	129296
1.00 PARKING - JENNY D. JOHNSON	844	FIRM	129296
1.00 * FACSIMILE TRANSMISSION	8050	FIRM	
2.50 * FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM	
2.50 * FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM	
0.72 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
3.06 * POSTAGE	8030	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
33.86 * POSTAGE	8030	FIRM	
0.50 * FACSIMILE TRANSMISSION	8051	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.36 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
9.00 LOCAL MESSENGER SERVICE: BANKRUPTCY COURT	8020	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.72 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
33.86 * POSTAGE	8030	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
0.24 * LONG DISTANCE TELEPHONE CALL	8040	FIRM	
353063 050202B	8040	FIRM	
353064 050702B	8040	FIRM	
353065 050802B	8040	FIRM	
349427 051002B	8030	FIRM	
353066 051002B	8040	FIRM	
359362 061002B	8040	FIRM	

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DATE: 10/07/02 11:15:59 PRO FORMA STATEMENT AS OF 093002 FOR FILE (BANK7A-206) BANK7A-206

0.36	* LONG DISTANCE TELEPHONE CALL	8040	FIRM
4.38	12 MILES @\$.365 EACH - JENNY D. JOHNSON, CLERK'S OFFICE	860	FIRM
2.00	PARKING - JENNY D. JOHNSON	844	FIRM
0.60	* LONG DISTANCE TELEPHONE CALL	8040	FIRM
1.50	* FACSIMILE TRANSMISSION	8051	FIRM
0.12	* LONG DISTANCE TELEPHONE CALL	8040	FIRM
18.00	LOCAL MESSENGER SERVICE: BANKRUPTCY COURT	8020	FIRM
4.38	12 MILES @\$.365 EACH - JENNY D. JOHNSON, CLERK'S OFFICE	860	FIRM
2.00	PARKING - JENNY D. JOHNSON	844	FIRM
36.60	* POSTAGE	8030	FIRM
1.50	* FACSIMILE TRANSMISSION	8051	FIRM
13.30	FEDERAL EXPRESS TO: J. MICHAEL BOOE, KENEDY COVINGTON, CHARLOTTE, NC #90836	8011	FIRM
6.09	* POSTAGE	8030	FIRM
28.49	* POSTAGE	8030	FIRM
12.50	* FACSIMILE TRANSMISSION, LONG DISTANCE	8052	FIRM
1.70	* LONG DISTANCE TELEPHONE CALL	8040	FIRM

608.43

BALANCE DUE FROM PREVIOUS STATEMENT 0.00
LESS PAYMENT(S) 0.00

BALANCE FORWARD 0.00

DISBURSEMENT SUB-TOTAL 608.43

TIME VALUE FOR THE MATTER AFTER THE CUTOFF DATE 0.00
COST VALUE FOR THE MATTER AFTER THE CUTOFF DATE 0.00

TOTALS

--COST CODE--	*--AMOUNT--*
8011 FEDERAL EXPRESS TO:	13.30
8020 LOCAL MESSENGER SERVICE	81.00
8030 POSTAGE	312.37
8040 LONG DISTANCE TELEPHONE CALL	10.72
805 PROFESSIONAL SERVICES	25.00
8050 FACSIMILE TRANSMISSION	7.00
8051 FACSIMILE TRANSMISSION	26.50

LEDGER SUMMARY--

0.00 (+)

() DO NOT BILL
() CLOSE FILE
() FINAL BILL

FORM 2

Page: 1

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS Trustee Name: HOLMES P. HARDEN, TRUSTEE
Case Name: INTERNATIONAL HERITAGE INC. Bank Name: NATIONS BANK, N.A.
Taxpayer ID No: 87-0421191 Account Number: 3753846518 Money Market - Interest Bearing
For Period Ending: 09/30/02
Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						61,436.41
C 08/31/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		109.67				61,546.08
C 09/28/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		99.23				61,645.31
C 10/31/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		117.15				61,762.46
C 11/30/01	11	NATIONS BANK, N.A.	Interest Rate 1.500		89.41				61,851.87
C 12/31/01	11	NATIONS BANK, N.A.	Interest Rate 1.500		78.85				61,930.72
C 01/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.500		78.95				62,009.67
C 02/28/02	11	NATIONS BANK, N.A.	Interest Rate 1.500		71.39				62,081.06
C 03/29/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		65.35				62,146.41
C 04/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		61.32				62,207.73
C 05/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		63.40				62,271.13
C 06/28/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		61.41				62,332.54
C 07/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		63.53				62,396.07
C 08/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		63.59				62,459.66
C 09/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		61.61				62,521.27

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-AT5
 Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONS BANK, N.A.
 Account Number: 3753846518 Money Market - Interest Bearing

Taxpayer ID No: 87-0421191
 For Period Ending: 09/30/02

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)

* Reversed
 t Funds Transfer
 C Bank Cleared

Account 3753846518	Balance Forward	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0 Deposits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	14 Interest Postings	1,084.86	1,084.86	0.00	0.00	0.00	0.00	0.00	0.00
	Subtotal	\$ 1,084.86	\$ 1,084.86	Total	\$ 0.00				
	0 Adjustments In	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0 Transfers In	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	\$ 1,084.86	\$ 1,084.86						

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.
 Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONS BANK, N.A.
 Account Number: 3753846521 Checking - Non Interest

Taxpayer ID No: 87-0421191
 For Period Ending: 09/30/02
 Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						0.00

Account 3753846521	Balance Forward	0.00	0 Checks	0.00
	0 Deposits	0.00	0 Adjustments Out	0.00
	0 Interest Postings	0.00	0 Transfers Out	0.00
	Subtotal	\$ 0.00	Total	\$ 0.00
	0 Adjustments In	0.00		
	0 Transfers In	0.00		
	Total	\$ 0.00		

* Reversed
 t Funds Transfer
 C Bank Cleared

FORM 2

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS Trustee Name: HOLMES P. HARDEN, TRUSTEE
Case Name: INTERNATIONAL HERITAGE INC. Bank Name: NATIONS BANK, N.A.
Taxpayer ID No: 87-0421191 Account Number: 3753846534 Money Market - Interest Bearing
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						20,368.40
C 08/31/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		36.36				20,404.76
C 09/28/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		32.90				20,437.66
C 10/31/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		38.84				20,476.50
C 11/30/01	11	NATIONS BANK, N.A.	Interest Rate 1.500		29.64				20,506.14
C 12/31/01	11	NATIONS BANK, N.A.	Interest Rate 1.500		26.14				20,532.28
C 01/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.500		26.17				20,558.45
C 02/28/02	11	NATIONS BANK, N.A.	Interest Rate 1.500		23.67				20,582.12
C 03/29/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		21.66				20,603.78
C 04/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		20.33				20,624.11
C 05/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		21.02				20,645.13
C 06/28/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		20.35				20,665.48
C 07/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		21.07				20,686.55
C 08/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		21.08				20,707.63
C 09/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		20.42				20,728.05

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONSBANK, N.A.
 Account Number: 3753846534 Money Market - Interest Bearing

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

Taxpayer ID No: 87-0421191
 For Period Ending: 09/30/02

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)

* Reversed
 t Funds Transfer
 C Bank Cleared

Account 3753846534	Balance Forward	0.00	0 Checks	0.00					
	0 Deposits	0.00	0 Adjustments Out	0.00					
	14 Interest Postings	359.65	0 Transfers Out	0.00					
	Subtotal	\$ 359.65	Total	\$ 0.00					
	0 Adjustments In	0.00							
	0 Transfers In	0.00							
	Total	\$ 359.65							

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FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONS BANK, N.A.
 Account Number: 3753846819 Money Market - Interest Bearing

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

Taxpayer ID No: 87-0421191
 For Period Ending: 09/30/02

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						1,176,737.24
Ct 08/28/01		Transfer to Acct #3753846835	Bank Funds Transfer					-12,938.48	1,163,798.76
C 08/31/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		2,099.01				1,165,897.77
C 09/28/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		1,879.67				1,167,777.44
Ct 10/01/01		Transfer to Acct #3753846835	Bank Funds Transfer					-275.61	1,167,501.83
C 10/03/01	001004	International Sureties, Ltd	Trustee Bond Bond #SB9934813			6,475.00			1,161,026.83
Ct 10/24/01		Transfer to Acct #3753846835	Bank Funds Transfer					-399.63	1,160,627.20
C 10/31/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		2,210.34				1,162,837.54
Ct 11/09/01		Transfer to Acct #3753846835	Bank Funds Transfer					-58,525.91	1,104,311.63
Ct 11/14/01		Transfer to Acct #3753846835	Bank Funds Transfer					-268.95	1,104,042.68
C 11/27/01	001005	AT&T	Telephone Service 020 713 6257 001			18.48			1,104,024.20
C 11/30/01	11	NATIONS BANK, N.A.	Interest Rate 1.500		1,625.37				1,105,649.57
C 12/31/01	11	NATIONS BANK, N.A.	Interest Rate 1.500		1,409.44				1,107,059.01
Ct 01/15/02		Transfer to Acct #3753846835	Bank Funds Transfer					-543.43	1,106,515.58
Ct 01/25/02		Transfer to Acct #3753846835	Bank Funds Transfer					-7,082.29	1,099,433.29

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FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS Trustee Name: HOLMES P. HARDEN, TRUSTEE
Case Name: INTERNATIONAL HERITAGE INC. Bank Name: NATIONSBANK, N.A.
Taxpayer ID No: 87-0421191 Account Number: 3753846819 Money Market - Interest Bearing
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 01/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		1,408.82				1,100,842.11
Ct 02/05/02		Transfer to Acct #3753846835	Bank Funds Transfer					-355.31	1,100,486.80
C 02/28/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		1,267.07				1,101,753.87
C 03/05/02	001006	AT&T	Telephone Service 056 390-8195 001 \$30.56 020 713 6257 001 \$8.41			38.97			1,101,714.90
C 03/06/02	5	BELLSOUTH Asset Sales Memo:	REFUND-CREDIT BALANCE Refunds-Other \$501.75	501.75					1,102,216.65 1,102,216.65
C 03/27/02	001007	AT&T	Telephone Service			48.40			1,102,168.25
C 03/27/02	001008	BellSouth	Telephone Service 919 876-2161 450 0364 \$232.13 919 790-0128 010 0363 \$65.29			297.42			1,101,870.83
C 03/29/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		1,160.00				1,103,030.83
Ct 04/26/02		Transfer to Acct #3753846835	Bank Funds Transfer					-172.30	1,102,858.53
C 04/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		1,088.41				1,103,946.94
Ct 05/07/02		Transfer to Acct #3753846835	Bank Funds Transfer					-6,693.78	1,097,253.16
Ct 05/28/02		Transfer to Acct #3753846835	Bank Funds Transfer					-130.00	1,097,123.16
C 05/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		1,119.82				1,098,242.98

FORM 2 ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONS BANK, N.A.
 Account Number: 3753846819 Money Market - Interest Bearing

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.

Taxpayer ID No: 87-0421191
 For Period Ending: 09/30/02

Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
Ct 06/21/02		Transfer to Acct #3753846835	Bank Funds Transfer					-107.22	1,098,135.76
C 06/28/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		1,083.17				1,099,218.93
Ct 07/16/02		Transfer to Acct #3753846835	Bank Funds Transfer					-1.95	1,099,216.98
Ct 07/16/02		Transfer to Acct #3753846835	Bank Funds Transfer					-1,242.63	1,097,974.35
Ct 07/16/02		Transfer to Acct #3753846835	Bank Funds Transfer					-3,568.83	1,094,405.52
Ct 07/24/02		Transfer to Acct #3753846835	Bank Funds Transfer					-228.09	1,094,177.43
C 07/29/02	001009	BETH ROGERS	Temporary Service 31.5 HOURS			252.00			1,093,925.43
C 07/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		1,118.98				1,095,044.41
C 08/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		1,116.25				1,096,160.66
Ct 09/03/02		Transfer to Acct #3753846835	Bank Funds Transfer					-321.14	1,095,839.52
Ct 09/24/02		Transfer to Acct #3753846835	Bank Funds Transfer					-767.38	1,095,072.14
C 09/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		1,080.68				1,096,152.82

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONS BANK, N.A.
Account Number: 3753846819 Money Market - Interest Bearing

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)

* Reversed
t Funds Transfer
C Bank Cleared

Account 3753846819	Balance Forward	0.00							
	2 Deposits	501.75							
	14 Interest Postings	19,667.03							
				6 Checks					7,130.27
				0 Adjustments Out					0.00
				18 Transfers Out					93,622.93
	Subtotal	\$ 20,168.78							
				Total					\$ 100,753.20
	0 Adjustments In	0.00							
	0 Transfers In	0.00							
	Total	\$ 20,168.78							

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS Trustee Name: HOLMES P. HARDEN, TRUSTEE
Case Name: INTERNATIONAL HERITAGE INC. Bank Name: NATIONS BANK, N.A.
Taxpayer ID No: 87-0421191 Account Number: 3753846835 Checking - Non Interest
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						162.63
Ct 08/28/01		Transfer from Acct #3753846819	Bank Funds Transfer					12,938.48	13,101.11
C 08/28/01	001064	Nicholls & Crampton	Fees-Attorney for Trustee Fees 5/1/01-6/30/01			12,938.48			162.63
C 08/31/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		1.12				163.75
C 09/28/01	11	NATIONS BANK, N.A.	Interest Rate 2.100		0.26				164.01
Ct 10/01/01		Transfer from Acct #3753846819	Bank Funds Transfer					275.61	439.62
C 10/01/01	001065	AT&T	Telephone Service 020 713 6257 0001			20.76			418.86
C 10/01/01	001066	Recall-Raleigh	STORAGE UNIT RENTAL Invoice #019725			254.85			164.01
Ct 10/24/01		Transfer from Acct #3753846819	Bank Funds Transfer					399.63	563.64
C 10/24/01	001067	BellSouth	Telephone Service 919 876-2161 450 0364 \$93.41			93.41			470.23
C 10/24/01	001068	AT&T	Telephone Service 056 390-8195 001 \$14.10 020 713 6257 001 \$22.51 056 661-2689 001 \$.33 056 661-2689 001 \$14.43			51.37			418.86
C 10/24/01	001069	Recall-Raleigh	STORAGE UNIT RENTAL Invoice # 020502			254.85			164.01

FORM 2 ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONSBANK, N.A.
Account Number: 3753846835 Checking - Non Interest

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 10/31/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		0.48				164.49
Ct 11/09/01		Transfer from Acct #3753846819	Bank Funds Transfer					58,525.91	58,690.40
C 11/09/01	001070	NICHOLLS & CRAMPTON	Fees-Attorney Specially			7,377.31			51,313.09
C 11/09/01	001071	HOLMES P. HARDEN, TRUSTEE	Fees-Trustee Commission/Fees BANK7A-206			11,540.04			39,773.05
C 11/09/01	001072	MAUPIN TAYLOR & ELLIS, P.A.	Fees-Attorney for Trustee BANK7A-HFN			6,089.50			33,683.55
C 11/09/01	001073	LEWIS & ROBERTS	Fees-Attorney for Trustee			20,348.59			13,334.96
C 11/09/01	001074	WILLIAM P. JANVIER	Fees-Attorney for Trustee			365.43			12,969.53
C 11/09/01	001075	ADAMS CONSULTING GROUP	Accounting fees			8,265.14			4,704.39
C 11/09/01	001076	JEAN W. BOYLES	Fees-Attorney for Trustee			4,539.90			164.49
Ct 11/14/01		Transfer from Acct #3753846819	Bank Funds Transfer					268.95	433.44
C 11/14/01	001077	RECALL-RALEIGH	STORAGE UNIT RENTAL INVOICE 021274			254.85			178.59
C 11/14/01	001078	AT&T	Telephone Service ACCT. # 056 390-8195 001			14.10			164.49
C 11/30/01	11	NATIONSBANK, N.A.	Interest Rate 1.500		19.31				183.80

FORM 2 ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONSBANK, N.A.
Account Number: 3753846835 Checking - Non Interest

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 12/31/01	11	NATIONSBANK, N.A.	Interest Rate 1.500		0.23				184.03
Ct 01/15/02		Transfer from Acct #3753846819	Bank Funds Transfer					543.43	727.46
C 01/15/02	001079	AT&T P. O. Box 9001309 Louisville, KY 40290-1309	Telephone Service 0207136257001: 0563908195001			33.73			693.73
C 01/15/02	001080	RECALL - RALEIGH P. O. BOX 101057 ATLANTA, GA 30392-1057	STORAGE UNIT RENTAL Inv # 022799; 022041			509.70			184.03
Ct 01/25/02		Transfer from Acct #3753846819	Bank Funds Transfer					7,082.29	7,266.32
C 01/25/02	001081	NICHOLLS & CRAMPTON	fees-attorney specially Period 9/1/01-10/31/01			7,082.29			184.03
C 01/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		1.74				185.77
Ct 02/05/02		Transfer from Acct #3753846819	Bank Funds Transfer					355.31	541.08
C 02/05/02	001082	AT&T	Telephone Service 020 713 6257 001 \$56.04 056 390-8195 001 \$29.38			85.42			455.66
C 02/05/02	001083	Recall	STORAGE UNIT RENTAL Invoice #023551			254.85			200.81
C 02/28/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		0.27				201.08
C 03/29/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		0.21				201.29

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONS BANK, N.A.
Account Number: 3753846835 Checking - Non Interest

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
Ct 04/26/02		Transfer from Acct #3753846819	Bank Funds Transfer					172.30	373.59
C 04/26/02	001084	BELLSOUTH	Telephone Service 919 876-2161 450 0364 \$48.60 919 790-0128 010 0363 \$65.32			113.92			259.67
C 04/26/02	001085	AT&T	Telephone Service 020 713 6257 001 \$30.12 030 238 9638 001 \$28.26			58.38			201.29
C 04/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		0.22				201.51
Ct 05/07/02		Transfer from Acct #3753846819	Bank Funds Transfer					6,693.78	6,895.29
C 05/07/02	001086	Nicholls & Crampton, P.A.	Fees-Attorney for Trustee			6,693.78			201.51
Ct 05/28/02		Transfer from Acct #3753846819	Bank Funds Transfer					130.00	331.51
C 05/28/02	001087	Recall	STORAGE UNIT RENTAL Invoice 025708			1.95			329.56
C 05/28/02	001088	AT&T	Telephone Service 020 713 6257 001			15.99			313.57
C 05/28/02	001089	BellSouth	Telephone Service 919 0128 010 0363 \$65.32 919 876-2161 450 0364 \$46.74			112.06			201.51
C 05/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		1.32				202.83
Ct 06/21/02		Transfer from Acct #3753846819	Bank Funds Transfer					107.22	310.05

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.
Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONS BANK, N.A.
Account Number: 3753846835 Checking - Non Interest

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 06/21/02	001090	AT&T	Telephone Service 020 713 6257 001 \$40.74 056 390-8195 001 \$17.79			58.53			251.52
C 06/21/02	001091	Recall	STORAGE UNIT RENTAL Invoice 026347			1.95			249.57
C 06/21/02	001092	BellSouth	Telephone Service 919 876-2161 450 0364			46.74			202.83
C 06/28/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		0.21				203.04
Ct 07/16/02		Transfer from Acct #3753846819	Bank Funds Transfer					1.95	204.99
Ct 07/16/02		Transfer from Acct #3753846819	Bank Funds Transfer					1,242.63	1,447.62
Ct 07/16/02		Transfer from Acct #3753846819	Bank Funds Transfer					3,568.83	5,016.45
C 07/16/02	001093	AT&T	Telephone Service 056 390 8195 001			17.63			4,998.82
C 07/16/02	001094	BellSouth	Telephone Service 919 876-2161 450 0364 \$46.74 919 790-0128 010 0363 \$65.32			112.06			4,886.76
C 07/16/02	001095	Recall-Raleigh	STORAGE UNIT RENTAL Invoice nos. 4600758 \$268.60 4601516 \$267.29 25017 \$311.43 4600135 \$267.29 26974 \$1.95			1,116.56			3,770.20

FORM 2 ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONSBANK, N.A.
Account Number: 3753846835 Checking - Non Interest

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 07/16/02	001096	Nicholls & Crampton, P.A.	Attorney fees			3,568.83			201.37
Ct 07/24/02		Transfer from Acct #3753846819	Bank Funds Transfer					228.09	429.46
C 07/24/02	001097	AT&T	Telephone Service 020 713 6257 001			36.09			393.37
C 07/24/02	001098	Ashley Beavers	Temporary Service 10 hours			80.00			313.37
C 07/24/02	001099	Blake Johnson	Temporary Service 14 hours			112.00			201.37
C 07/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		0.01				201.38
C 08/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		0.20				201.58
Ct 09/03/02		Transfer from Acct #3753846819	Bank Funds Transfer					321.14	522.72
C 09/03/02	001100	BellSouth	Telephone Service 919 876-2161 450 0364 \$46.66 919 790-0128 010 0363 \$130.54			177.20			345.52
C 09/03/02	001101	AT&T	Telephone Service 020 713 6257 001 \$36.91 056 390-8195 001 \$17.63			54.54			290.98
C 09/03/02	001102	RECALL-RALEIGH	STORAGE UNIT RENTAL INVOICE 027594 \$1.95 #028193 \$87.45			89.40			201.58
Ct 09/24/02		Transfer from Acct #3753846819	Bank Funds Transfer					767.38	968.96

FORM 2

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.
Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONS BANK, N.A.
Account Number: 3753846835 Checking - Non Interest

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 09/24/02	001103	BellSouth	Telephone Service 876-2161 450 0364 \$93.36 919 790-0128 010 0363 \$65.96			159.31			809.65
C 09/24/02	001104	AT&T	Telephone Service 0207136257001 \$38.23 056390-81950001 \$35.26			73.49			736.16
C 09/24/02	001105	Recall-Raleigh	STORAGE UNIT RENTAL Invoice #4607720-IN #4606242-IN			534.58			201.58
C 09/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		0.34				201.92

* Reversed
t Funds Transfer
C Bank Cleared

Account 3753846835	Balance Forward	0.00	42 Checks	93,609.56
	0 Deposits	0.00	0 Adjustments Out	0.00
	14 Interest Postings	25.92	0 Transfers Out	0.00
	Subtotal	\$ 25.92	Total	\$ 93,609.56
	0 Adjustments In	0.00		
	18 Transfers In	93,622.93		
	Total	\$ 93,648.85		

FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORDCase No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONSBANK, N.A.
Account Number: 3753846848 Money Market - Interest BearingTaxpayer ID No: 87-0421191
For Period Ending: 09/30/02Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						4,164,446.36
C 08/31/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		7,423.88				4,171,870.24
C 09/28/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		6,725.93				4,178,596.17
C 10/31/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		7,940.92				4,186,537.09
C 11/30/01	11	NATIONSBANK, N.A.	Interest Rate 1.500		6,060.37				4,192,597.46
C 12/31/01	11	NATIONSBANK, N.A.	Interest Rate 1.500		5,344.55				4,197,942.01
C 01/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		5,351.36				4,203,293.37
C 02/28/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		4,839.35				4,208,132.72
C 03/29/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		4,429.44				4,212,562.16
C 04/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		4,156.84				4,216,719.00
C 05/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		4,297.59				4,221,016.59
C 06/28/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		4,163.19				4,225,179.78
C 07/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		4,306.22				4,229,486.00
C 08/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		4,318.60				4,233,796.60
C 09/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		4,175.80				4,237,972.40

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
 Case Name: INTERNATIONAL HERITAGE INC.
 Trustee Name: HOLMES P. HARDEN, TRUSTEE
 Bank Name: NATIONS BANK, N.A.
 Account Number: 3753846848 Money Market - Interest Bearing
 Taxpayer ID No: 87-0421191
 For Period Ending: 09/30/02
 Blanket Bond (per case limit):
 Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)

* Reversed
 t Funds Transfer
 C Bank Cleared

Account 3753846848	Balance Forward	0.00	0	Checks	0.00
	Deposits	0.00	14	Adjustments Out	0.00
	Interest Postings	73,526.04		Transfers Out	0.00
	Subtotal	\$ 73,526.04		Total	\$ 0.00
	Adjustments In	0.00			
	Transfers In	0.00			
	Total	\$ 73,526.04			

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.
Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONSBANK, N.A.
Account Number: 3753847313 Money Market - Interest Bearing
Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02
Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						358,390.96
C 08/27/01		JEFF L. HOOKS ELIZABETH S. HOOKS 7712 FALL BRANCH COURT WAKE FOREST, NC 27587 Asset Sales Memo:	PREFERENCE SETTLEMENT	500.00					358,890.96
08/27/01	15		Preference Payments \$500.00						358,890.96
C 08/31/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		541.57				359,432.53
C 09/25/01		TUGGLE DUGGINS & MESCHAN P.A. ATTORNEY FOR DIMMOCK HILL GOLF COURSE Asset Sales Memo:	PREFERENCE SETTLEMENT	4,000.00					363,432.53
09/25/01	15		Preference Payments \$4,000.00						363,432.53
C 09/25/01		TUGGLE DUGGINS & MESCHAN ATTORNEYS FOR LEAPFROG MARKETING, INC. Asset Sales Memo:	PREFERENCE SETTLEMENT	30,000.00					393,432.53
09/25/01	15		Preference Payments \$30,000.00						393,432.53
C 09/28/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		548.68				393,981.21
C 10/31/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		708.38				394,689.59
C 11/30/01	11	NATIONSBANK, N.A.	Interest Rate 1.500		543.70				395,233.29
C 12/07/01		WILLIAM E. BREWER, JR. TRUST ACCOUNT P. O. BOX 11672 619 PERSON STREET RALEIGH, NC 27604 Asset Sales Memo:	PREFERENCE SETTLEMENT	7,500.00					402,733.29
12/07/01	15		Preference Payments \$7,500.00						402,733.29

FORM 2 **ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD**

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Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONS BANK, N.A.
Account Number: 3753847313 Money Market - Interest Bearing

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			SETTLEMENT OF EDMUNDO & LISA COLORADO						
C 12/31/01	11	NATIONS BANK, N.A.	Interest Rate 1.500		485.32				403,218.61
C 01/18/02		TYRA INTERNATIONAL, INC. DBA TYRA SKIN CARE 9424 ETON AVE., SUITE J CHATSWORTH, CA 91311 Asset Sales Memo:	PREFERENCE SETTLEMENT Preference Payments \$500.00	500.00					403,718.61
C 01/18/02	15	IMAGE ASSOCIATES, INC. Asset Sales Memo:	PREFERENCE SETTLEMENT Preference Payments \$1,600.00	1,600.00					405,318.61
C 01/28/02		CORNERSTONE NUTRITIONAL LABS, LLC P. O. BOX 617 FARMINGTON, UT 84025 Asset Sales Memo:	PREFERENCE SETTLEMENT Preference Payments \$25,000.00 SETTLEMENT OF MODERN HEALTH STRATEGIES, LLC	25,000.00					430,318.61
C 01/28/02	15	NICHOLLS & CRAMPTON Asset Sales Memo:	PREFERENCE SETTLEMENT Preference Payments \$5,000.00 SETTLEMENT OF DBE BROTHERS	5,000.00					435,318.61
C 01/28/02	15	NICHOLLS & CRAMPTON Asset Sales Memo:	PREFERENCE SETTLEMENT Preference Payments \$1,300.00 SETTLEMENT OF 2021 INTERACTIVE LLC	1,300.00					436,618.61
C 01/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.500		491.31				437,109.92
C 02/01/02		RELIABLE LOAN COMPANY OF WAKE	PREFERENCE SETTLEMENT	6,000.00					443,109.92

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONSBANK, N.A.
Account Number: 3753847313 Money Market - Interest Bearing

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
02/01/02	15	CTY, INC. P. O. BOX 6 307 S. WILMINGTON ST. RALEIGH, NC 27602 Asset Sales Memo:	Preference Payments \$6,000.00 Sale of Rolex Watch. Herbert Towning was owner of watch.						443,109.92
C 02/01/02		WILLIAM E. BREWER, JR. 619 N. PERSON ST. P. O. BOX 11672 RALEIGH, NC 27604 Asset Sales Memo:	PREFERENCE SETTLEMENT	500.00					443,609.92
02/01/02	15		Preference Payments \$500.00 SETTLEMENT OF TRACEY SABATES						443,609.92
C 02/01/02		WILLIAM E. BREWER, JR. 619 N. PERSON STREET P. O. BOX 11672 RALEIGH, NC 27604 Asset Sales Memo:	PREFERENCE SETTLEMENT	1,500.00					445,109.92
02/01/02	15		Preference Payments \$1,500.00 SETTLEMENT OF CLAUDE SAVAGE, SR.						445,109.92
C 02/01/02		WILLIAM E. BREWER, JR. 619 N. PERSON STREET P. O. BOX 11672 RALEIGH, NC 27604 Asset Sales Memo:	PREFERENCE SETTLEMENT	500.00					445,609.92
02/01/02	15		Preference Payments \$500.00 CLAUDE SAVAGE, JR. SETTLEMENT.						445,609.92
C 02/15/02		NICHOLLS & CRAMPTON Asset Sales Memo:	PREFERENCE SETTLEMENT	15,000.00					460,609.92
02/15/02	15		Preference Payments \$15,000.00 EVONNE ECKENROTH \$7,500 JEWELS BY EVONNE \$7,500						460,609.92

FORM 2

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS Trustee Name: HOLMES P. HARDEN, TRUSTEE
Case Name: INTERNATIONAL HERITAGE INC. Bank Name: NATIONS BANK, N.A.
Taxpayer ID No: 87-0421191 Account Number: 3753847313 Money Market - Interest Bearing
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 02/15/02		IMAGE ASSOCIATES, INC. 4909 WINDY HILL DRIVE RALEIGH, NC 27609	PREFERENCE SETTLEMENT	1,600.00					462,209.92
02/15/02	15	Asset Sales Memo:	Preference Payments \$1,600.00						462,209.92
C 02/15/02		WILLIAM L. YAEGER P. O. BOX 100 DURHAM, NC 27702	PREFERENCE SETTLEMENT	750.00					462,959.92
02/15/02	15	Asset Sales Memo:	Preference Payments \$750.00 O. KENNETH RUDD III AP						462,959.92
C 02/28/02	11	NATIONS BANK, N.A.	Interest Rate 1.500		493.43				463,453.35
C 03/06/02		IMAGE ASSOCIATES, INC. 4909 WINDY HILL DRIVE RALEIGH, NC 27609	PREFERENCE SETTLEMENT	136.00					463,589.35
03/06/02	15	Asset Sales Memo:	Preference Payments \$136.00						463,589.35
C 03/27/02	001001	Recall Raleigh	STORAGE UNIT RENTAL inv. 024286			254.85			463,334.50
C 03/29/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		467.82				463,802.32
C 04/17/02		TRIANGLE COMMUNICATIONS GROUP, INC. 3500 BUSH STREET, SUITE 101 RALEIGH, NC 27609	PREFERENCE SETTLEMENT	2,000.00					465,802.32
04/17/02	15	Asset Sales Memo:	Preference Payments \$2,000.00 PRINTING PLUS, INC. AP						465,802.32
C 04/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		439.41				466,241.73

FORM 2

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.
Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONS BANK, N.A.
Account Number: 3753847313 Money Market - Interest Bearing

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
C 05/02/02		AMANDA F. HERRIN 32672 MILLINGPORT ROAD NEW LONDON, NC 28127	PREFERENCE SETTLEMENT	150.00					466,391.73
05/02/02	15	Asset Sales Memo:	Preference Payments \$150.00						466,391.73
C 05/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		455.84				466,847.57
C 06/28/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		441.61				467,289.18
C 07/24/02		Duke Realty LP 600 E 96TH ST, SUITE 100 INDIANAPOLIS, IN 46240	Collection \$6,000.00	6,000.00					473,289.18
07/24/02	16	Asset Sales Memo:							473,289.18
C 07/31/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		457.17				473,746.35
C 08/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		463.36				474,209.71
C 09/30/02	11	NATIONS BANK, N.A.	Interest Rate 1.200		448.88				474,658.59

* Reversed
t Funds Transfer
C Bank Cleared

Account 3753847313	Balance Forward	0.00	1 Checks	254.85
	40 Deposits	109,536.00	0 Adjustments Out	0.00
	14 Interest Postings	6,986.48	0 Transfers Out	0.00
	Subtotal	\$ 116,522.48	Total	\$ 254.85
	0 Adjustments In	0.00		
	0 Transfers In	0.00		
	Total	\$ 116,522.48		

FORM 2 ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name: HOLMES P. HARDEN, TRUSTEE
Bank Name: NATIONS BANK, N.A.
Account Number: 3753847410 Money Market - Interest Bearing

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable): \$ 6,000,000.00

1	2	3	4	5	6	7	8	9	10
Transaction Date	Check or Reference	Paid To / Received From	Description Of Transaction	Deposits (\$)	Interest (\$)	Checks (\$)	Adjustments (\$)	Transfers (\$)	Account Balance (\$)
			BALANCE FORWARD						5,306.75
C 08/31/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		9.47				5,316.22
C 09/28/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		8.57				5,324.79
C 10/31/01	11	NATIONSBANK, N.A.	Interest Rate 2.100		10.12				5,334.91
C 11/30/01	11	NATIONSBANK, N.A.	Interest Rate 1.500		7.72				5,342.63
C 12/31/01	11	NATIONSBANK, N.A.	Interest Rate 1.500		6.81				5,349.44
C 01/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		6.82				5,356.26
C 02/28/02	11	NATIONSBANK, N.A.	Interest Rate 1.500		6.17				5,362.43
C 03/29/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		5.64				5,368.07
C 04/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		5.30				5,373.37
C 05/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		5.48				5,378.85
C 06/28/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		5.30				5,384.15
C 07/31/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		5.49				5,389.64
C 08/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		5.49				5,395.13
C 09/30/02	11	NATIONSBANK, N.A.	Interest Rate 1.200		5.33				5,400.46

FORM 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

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Case No: 98-02675-5-ATS
Case Name: INTERNATIONAL HERITAGE INC.

Trustee Name:	HOLMES P. HARDEN, TRUSTEE
Bank Name:	NATIONSBANK, N.A.
Account Number:	3753847410 Money Market - Interest

Taxpayer ID No: 87-0421191
For Period Ending: 09/30/02

Blanket Bond (per case limit):
Separate Bond (if applicable):

[illegible]

Account	3753847410
Balance Forward	0.00
0 Deposits	0.00
14 Interest Postings	93.71
Subtotal	\$ 93.71
0 Adjustments In	0.00
0 Transfers In	0.00
Total	\$ 93.71
0 Checks	0.00
0 Adjustments Out	0.00
0 Transfers Out	0.00
Total	\$ 0.00

Report Totals				
	Balance Forward	5,786,848.75		
42	Deposits	110,037.75	49 Checks	100,994.68
98	Interest Postings	101,743.69	0 Adjustments Out	0.00
			18 Transfers Out	93,622.93
	Subtotal	\$ 5,998,630.19		
			Total	\$ 194,617.61
	0 Adjustments In	0.00		
	18 Transfers In	93,622.93		
	Total	\$ 6,092,253.12		
			Net Total Balance	\$ 5,897,635.51

* Reversed
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C Bank Clea